

Testimony of Lynn Ricci, FACHE  
President & CEO, Hospital for Special Care  
Appropriations Committee  
February 16, 2017

**RE: Provisions in the proposed budget to allow municipalities to collect property tax on hospitals**

Senator Osten, Senator Formica, Representative Willis, Representative Ziobron and all other members of the Appropriations Committee: My name is Lynn Ricci. I am a resident of Killingworth and I currently serve as the President & CEO of Hospital for Special Care. HSC is a chronic disease hospital with its main campus in New Britain, a satellite campus in Hartford and a therapeutic horse riding center in Middletown.

Hospital for Special Care is opposed to the proposal that would allow municipalities to collect a tax on our real property. We are a non-profit hospital and have the highest percentage (in excess of 70%) of Medicaid reliance in Connecticut. We are also the second largest employer in New Britain, bringing over 1,000 people into our city every day. Based on our current assessment and New Britain's current mill rate of 50.50, Hospital for Special Care would owe \$2,939,564 in property tax in 2017. That amount would cripple us both financially and operationally. We do understand that the current proposal would reimburse us more than the amount which we would pay out – but our fear is that such reimbursement payments would be subject to rescission, reduction and/or elimination in both future iterations of this biennial budget and (obviously) in future biennial budgets altogether. The simplest solution would be to leave the property tax exemption for hospitals as it is and to alleviate any perceived unfairness to municipalities via the already existing PILOT reimbursement program.

In a world in which government offers billions in tax breaks to for-profit corporations, we shouldn't eliminate the small tax break we provide to a non-profit hospital that takes care of our state's neediest patients.

I look forward to discussing this with you as the budget process progresses. If you have any questions you can contact me at [lr Ricci@hfsc.org](mailto:lr Ricci@hfsc.org) or Jason Jakubowski, Vice President of External Relations at [jjakubowski@hfsc.org](mailto:jjakubowski@hfsc.org).

Thank you for your time.